Original: Spanish Translation: FTAA Secretariat

FTAA - COMMITTEE OF GOVERNMENT REPRESENTATIVES ON THE PARTICIPATION OF CIVIL SOCIETY

COVER SHEET

Name (s)	 Alberto Salas - International Union for Conservation of Nature and Natural Resources (UICN-Mesoamerica) Ana Lucía Hernández - Observatorio del Desarrollo (OdD), UCR Carlos Herrera Amighetti- Fundación de la Universidad de Costa Rica para la Investigación - FUNDEVI-UCR Carlos Murillo Rodríguez - Centro Internacional de Política Económica para el Desarrollo Sostenible (CINPE), Universidad Nacional Eduardo Gitli Dicker - CINPE Eliana Villalobos Cárdenas - CINPE Franklin Paniagua Alfaro - Centro de Derecho Ambiental y de los Recursos Naturales (CEDARENA) Jorge Cabrera Medaglia - Fundación AMBIO Jose Pablo Sánchez Hernández - FUNDEVI Max Valverde - Fundación AMBIO Pascal Girot - UICN-Mesoamerica Randall Arce Alvarado - CINPE Roxana Salazar - Fundación AMBIO Sergio Navas - Cámara de Exportadores de Costa Rica (CADEXCO) Vicky Cajiao - Fundación AMBIO
Address	CINPE – UNA Grupo Permanente sobre Comercio y Ambiente Apartado 555-3000 Heredia Costa Rica
Organization (s) (if applicable)	Grupo Permanente sobre Comercio y Ambiente de Costa Rica grupo-permanente@inca.or.cr
Country (ies) / Region (s)	Costa Rica

Number of Pages 8	Language Original: Spanish	
-------------------	----------------------------	--

ISSUES ADDRESSED (Check all that apply)

issels is siesses (entri un unu appi)				
Agriculture	Subsidies, Antidumping and Countervailing			
	Duties			
Competition Policy	Civil Society	X		
Dispute Settlement	Electronic Commerce			
Government Procurement	Smaller Economies			
Intellectual Property Rights	The FTAA Process	X		
Investment	Other:			
Market Access				
Services				

EXECUTIVE SUMMARY – 2 pages maximum – (see Open Invitation):

Chair of the Committee of Government Representatives on the Participation of Civil Society c/o Tripartite Committee (Ref. Civil Society)

Economic Commission for Latin America and the Caribbean (ECLAC)

1825 K Street NW, Suite 1120

Washington D.C. 20006

San José, September 21, 2000

Letter to the Committee of Government Representatives on the Participation of Civil Society regarding inclusion of the issue of the environment in FTAA negotiations

Executive Summary

The Permanent Group on Trade and Environment of Costa Rica, which consists of members of the academic sector, non-governmental organizations (NGOs) and representatives of the private sector, presents the following proposal regarding inclusion of the issue of the environment in FTAA negotiations;

recognizing that:

- 1. the solution to a great many environmental problems transcends political borders and requires a joint effort on the part of countries and regions to achieve a long-term solution to these problems;
- 2. environmental problems *per se* are not caused by trade, but rather are the result of the forms of production and consumption of the economies, and involve local production and consumption, as well as exporting and importing;
- 3. the material basis of Latin American economic development depends on its natural resources and ecological activities and services;
- 4. the challenge facing all of the countries in the Americas is to promote trade, and ensure a responsible and sustainable use of natural resources that makes it possible to combine profitability with long-term economic and environmental sustainability.

Proposes:

- That environmental issues be given explicit consideration in the negotiations on the establishment of the Free Trade Area of the Americas.
- That a commitment not to lower environmental standards be adopted as a principle, in order to attract investment and promote free trade, as well as offering special investment and trade incentives to improve those standards.
- That the principle that any regulation should be a strictly national matter be maintained, which in no way interferes with the commitment to minimum rules or other types of multilateral agreements.
- That negotiation on the issue of the environment within the FTAA negotiations be carried out through a parallel environmental agreement, taking advantage of experiences in the hemisphere (the North American Environmental Agreement and the Canada-Chile Agreement on Environmental Cooperation). These model agreements respect national sovereignty and require the parties to establish and maintain a detailed, informational, open and transparent environmental management system. This deals not only with trade and the environment, but with cooperation, and creates an institutional

- framework (and its corresponding organizational basis) to make it operational, creating in turn opportunities for the participation of civil society.
- That the parallel hemispheric agreement not envisage cross sanctions. Cooperative solutions should be the guiding concept behind parallel agreements. Economic compensation could even be retained in cases of persistent patterns of violation of domestic laws, and be designed to solve the problem that caused such a dispute. The main objective should not be to find a culprit, but rather to prevent and find ways to avoid or repair the harm caused to the environment.
- That greater access be given to official documentation: official and provisional agendas, official minutes, provisional and final agreements, working documents of the negotiating groups, formal and informal contributions from the members during the negotiation process.
- That positive actions be taken, such as the preparation of non-technical summaries, informational
 workshops and seminars that increase the possibility of common agreements and participation of the
 different civil society players.
- That ratification, by all FTAA members, of at least the following multilateral environmental agreements (MEAs) be established as mandatory: the Montreal Protocol, the Basle Convention, CITES, the Kyoto Protocol, the Convention on Biological Diversity (CBD) and its Biosafety Protocol. This would create a critical mass of environmental consensus.
- That environmental trade measures taken to protect MEAs be considered "lex specialis" in relation to FTAA provisions. They will thus take precedence over trade provisions, and the forum for analyzing them will not be the FTAA dispute settlement mechanism, but rather the actual mechanism envisaged by the MEAs.
- That the organizational and institutional structure of the parallel agreement be simple, made up of a small team of experts, with mid-level authority under the Council of Ministers, with a representative from each group of associated countries in terms of trade, for example: NAFTA, MERCOSUR, CARICOM, the Andean Community and CACM.